

# Program Support Center

(dollars in millions)

	<u>1996</u> <u>Actual</u>	<u>1997</u> <u>Estimate</u>	<u>1998</u> <u>Estimate</u>	<u>Increase</u> <u>+/- Decrease</u>
Expenses .....	\$233	\$235	\$235	0
FTE .....	1,149	1,100	1,100	0

## Summary

The Program Support Center (PSC) became operational in FY 1996 and was formed by combining administrative activities formerly located in the Office of the Secretary, and funded by the OS Working Capital Fund (WCF), with activities from the former Office of the Assistant Secretary for Health (OASH), and funded by the PHS Service and Supply Fund. The formation of the PSC resulted from the Department's REGO II analysis with a goal of further streamlining and minimizing duplication of functions in the provision of cost effective administrative services to components of the Department and other Federal agencies. Services are provided in four broad areas: human resources, financial management, administrative operations, and information technology.

### Human Resources Service

The FY 1998 estimated expenses for the Human Resources Service (HRS) are \$39 million, a reduction of \$7 million below the FY 1997 level. HRS provides a full range of personnel management services including payroll management and operations; personnel

operations services for civilian and commissioned personnel; common needs training; employee relations and labor relations; and administration of the Board for Corrections of PHS Commissioned Corps Personnel Records.

### Financial Management Service

The Financial Management Service (FMS) estimates its expenses at \$40 million for FY 1998. FMS supports the financial operations of HHS and other Departments through the provision of payment management services for Departmental and other Federal grant and program activities; accounting and fiscal services; debt management services; and the review, negotiation and approval of rates, including indirect cost rates, research patient care rates, and fringe benefit rates.

### Administrative Operations Service

The Administrative Operations Service (AOS) supports the administrative management functions within the Department in the areas of

property and materiel management, and support services ranging from telecommunications services and commercial graphics to mail distribution. Included is the operation of a medical Supply Service Center located in Perry Point, Maryland, that provides support to over 1,700 customers on a worldwide basis and is an economical source of supply for all Federal customers. The FY 1998 estimated expenses of \$146 million for AOS includes a \$6 million increase for the expansion of product lines within the Supply Service Center.

### **Information Technology Service**

The FY 1998 estimated expenses for the Information Technology Service (ITS) are \$10 million. The ITS provides automated data processing services for HHS and other Federal entities. The ITS provides customers with various IT services, resources, technical support and ADP planning assistance. In addition, the ITS develops and operates the Departmental Information Management Exchange System, a nationwide data communications network; and serves as the HHS Executive Agent for Department-wide connectivity.

# Program Support Center

## Entitlement Spending

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### Retirement Pay and Medical Benefits for Commissioned Officers (dollars in millions)

	<b>1996</b>	<b>1997</b>	<b>1998</b>	<b>Increase</b>
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>+/-Decrease</u>
Retirement Payments .....	\$119	\$139	\$149	+\$10
Survivor's Benefits .....	9	11	12	+1
Medical Care .....	24	26	28	+2
Military Service Credits .....	3	3	2	-1
Total, BA .....	\$155	\$179	\$191	+12
Outlays .....	\$170	\$180	\$190	+10

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### Summary

This appropriation provides for retirement payments to Public Health Service (PHS) Commissioned Officers and payment to survivors of deceased retired officers. This account also funds the provision of medical care to active duty and retired members and to dependents of active duty, retired and deceased members of the PHS Commissioned Corps. In addition, this account includes amounts to be paid to the Social Security Administration for military service credits which are earned by active duty Commissioned Officers for non-wage income.